


STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☒

APPLICATION FOR PERMIT TO DRILL				1. WELL NAME and NUMBER OSCU II 128-27		
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>				3. FIELD OR WILDCAT NATURAL BUTTES		
4. TYPE OF WELL Gas Well Coalbed Methane Well: NO				5. UNIT or COMMUNITIZATION AGREEMENT NAME NORTH ALGER		
6. NAME OF OPERATOR EOG Resources, Inc.				7. OPERATOR PHONE 435 781-9111		
8. ADDRESS OF OPERATOR 600 17th Street, Suite 1000 N, Denver, CO, 80202				9. OPERATOR E-MAIL kaylene_gardner@eogresources.com		
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU49518		11. MINERAL OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>		12. SURFACE OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>		
13. NAME OF SURFACE OWNER (if box 12 = 'fee')				14. SURFACE OWNER PHONE (if box 12 = 'fee')		
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')				16. SURFACE OWNER E-MAIL (if box 12 = 'fee')		
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')		18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>		19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>		
20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	421 FNL 829 FEL	NENE	27	10.0 S	19.0 E	S
Top of Uppermost Producing Zone	421 FNL 829 FEL	NENE	27	10.0 S	19.0 E	S
At Total Depth	421 FNL 829 FEL	NENE	27	10.0 S	19.0 E	S
21. COUNTY UINTAH		22. DISTANCE TO NEAREST LEASE LINE (Feet) 421		23. NUMBER OF ACRES IN DRILLING UNIT 640		
		25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1510		26. PROPOSED DEPTH MD: 10340 TVD: 10340		
27. ELEVATION - GROUND LEVEL 5216		28. BOND NUMBER NM2308		29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 49-225		

ATTACHMENTS**VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES**

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP
NAME Mary Maestas	TITLE Regulatory Assistant
SIGNATURE	DATE 02/10/2009
API NUMBER ASSIGNED 43047501960000	PHONE 303 824-5526
APPROVAL	EMAIL mary_maestas@eogresources.com
 Permit Manager	

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Cond	17.5	13.375	0	60		
Pipe	Grade	Length	Weight			
	Grade H-40 ST&C	60	48.0			
	Cement Interval	Top (MD)	Bottom (MD)			
		0	60			
		Cement Description	Class	Sacks	Yield	Weight
			Class C Cement	0	0.0	0.0

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Surf	12.25	9.625	0	2300		
Pipe	Grade	Length	Weight			
	Grade J-55 ST&C	2300	36.0			
	Cement Interval	Top (MD)	Bottom (MD)			
		0	2300			
		Cement Description	Class	Sacks	Yield	Weight
			Class G Cement	185	3.82	11.0
			Class G Cement	207	1.18	15.6

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Prod	7.875	4.5	0	10340		
Pipe	Grade	Length	Weight			
	Grade P-110 LT&C	10340	11.6			
	Cement Interval	Top (MD)	Bottom (MD)			
		2300	10340			
		Cement Description	Class	Sacks	Yield	Weight
			Hi Lift "G"	120	3.91	11.0
			50/50 Poz	1124	1.28	14.1

DRILLING PLAN

OLD SQUAWS CROSSING UNIT II 128-27 NE/NE, SEC. 27, T10S, R19E, S.L.B.&M.. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,168		Shale	
Mahogany Oil Shale Bed	1,731		Shale	
Wasatch	4,468	Primary	Sandstone	Gas
Chapita Wells	5,065	Primary	Sandstone	Gas
Buck Canyon	5,786	Primary	Sandstone	Gas
North Horn	6,649	Primary	Sandstone	Gas
KMV Price River	8,162	Primary	Sandstone	Gas
KMV Price River Middle	8,928	Primary	Sandstone	Gas
KMV Price River Lower	9,764	Primary	Sandstone	Gas
Sego	10,139		Sandstone	
TD	10,340			

Estimated TD: **10,340' or 200'± below TD**

Anticipated BHP: 5,646 Psig

- Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
- Cement isolation is installed to surface of the well isolating all zones by cement.

EOG Resources, Inc. requests authorization for commingling of production from the Wasatch and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from cased-hole logs. Production from the Wasatch and Mesaverde formations will be commingled in the wellbore and produced through open-ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 1/2"	0 – 60'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 1/4"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-1/2"	11.6#	P-110	LTC	7560 PSI	10,690 Psi	279,000#

DRILLING PLAN

OLD SQUAWS CROSSING UNIT II 128-27

NE/NE, SEC. 27, T10S, R19E, S.L.B.&M..

UINTAH COUNTY, UTAH

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD):

Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

DRILLING PLAN

OLD SQUAWS CROSSING UNIT II 128-27
NE/NE, SEC. 27, T10S, R19E, S.L.B.&M..
UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1
Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

- EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

8. EVALUATION PROGRAM:

Logs:

Cased-hole Logs:

Mud log from base of surface casing to TD.

Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

DRILLING PLAN

OLD SQUAWS CROSSING UNIT II 128-27

NE/NE, SEC. 27, T10S, R19E, S.L.B.&M..

UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

- Lead:** **185 sks** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.
- Tail:** **207 sks** Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.
- Top Out:** As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.
- Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

Production Hole Procedure (2300'± - TD)

- Lead:** **120 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.
- Tail:** **1124 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.
- Note:** The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

DRILLING PLAN

OLD SQUAWS CROSSING UNIT II 128-27
NE/NE, SEC. 27, T10S, R19E, S.L.B.&M..
UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

13. AIR DRILLING OPERATIONS:

- Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
- The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
- Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
- EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

(Attachment: BOP Schematic Diagram)

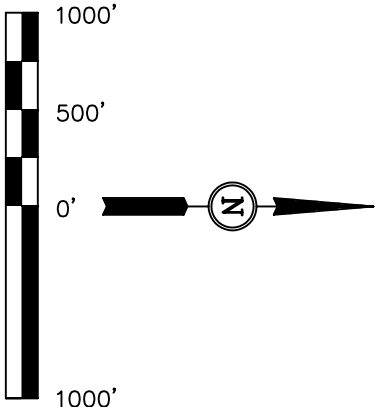
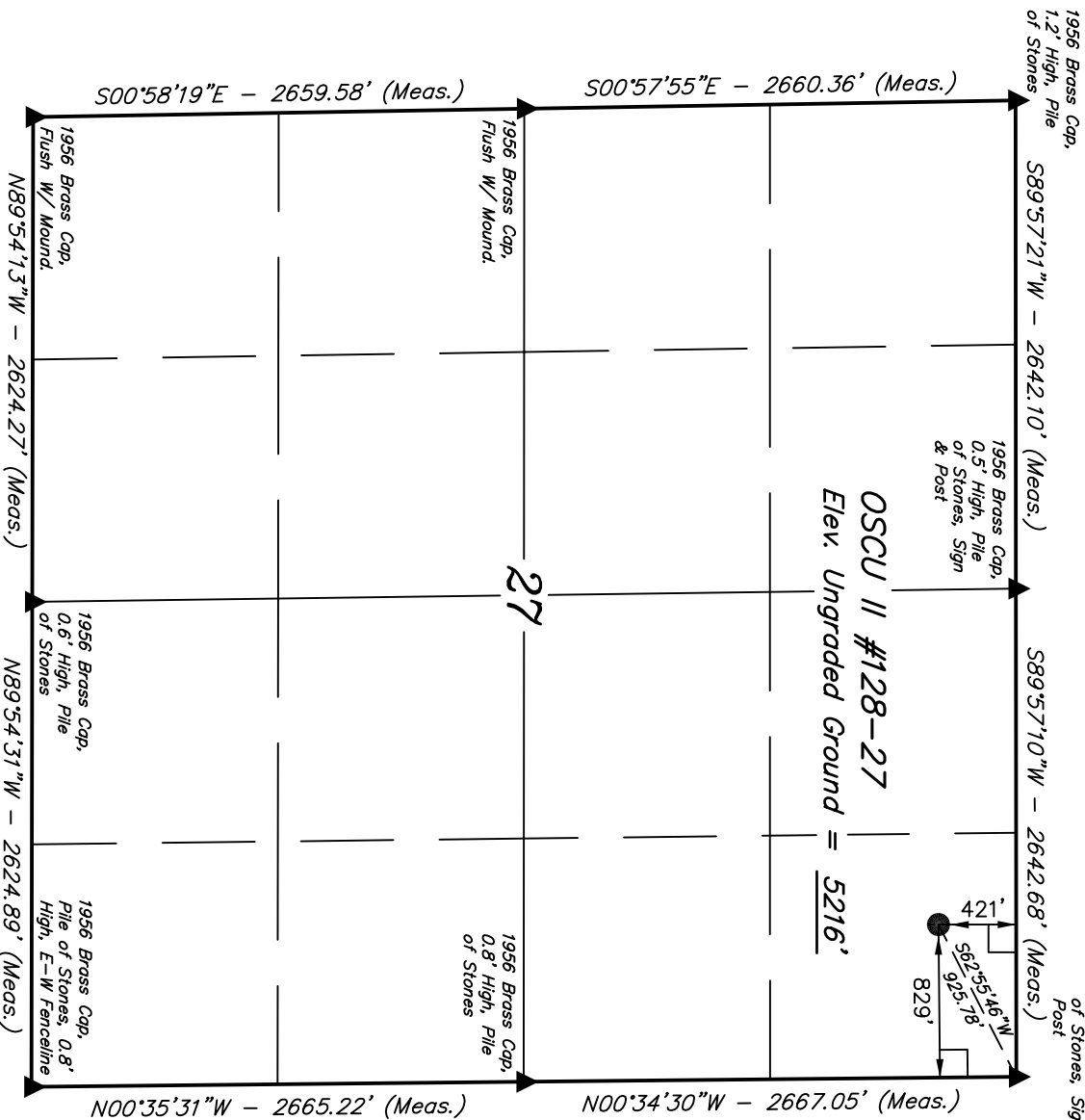
T10S, R19E, S.L.B.&M.

EOG RESOURCES, INC.

Well location, OSCU II #128-27, located as shown in the NE 1/4 NE 1/4 of Section 27, T10S, R19E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 20, T10S, R19E, S.L.B.&M. TAKEN FROM THE BIG PACK MNT. NW QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5251 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE MAP WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH
KAY

UINTAH ENGINEERING & LAND SURVEYING

86 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE	1" = 1000'	DATE SURVEYED:	08-08-08	DATE DRAWN:	08-10-08
PARTY	G.S. C.B. K.E.	REFERENCES	G.L.O. PLAT		
WEATHER	HIGH 80'S LOW 90'S	FILE	EOG RESOURCES, INC.		

LEGEND:

- └─ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)
LATITUDE = 39°55'27.54" (39.924317)
LONGITUDE = 109°45'42.57" (109.761825)
(NAD 27)
LATITUDE = 39°55'27.67" (39.924353)
LONGITUDE = 109°45'40.07" (109.761131)

EOG RESOURCES, INC.

OSCU II #128-27

LOCATED IN UINTAH COUNTY, UTAH
SECTION 27, T10S, R19E, S.L.B.&M.

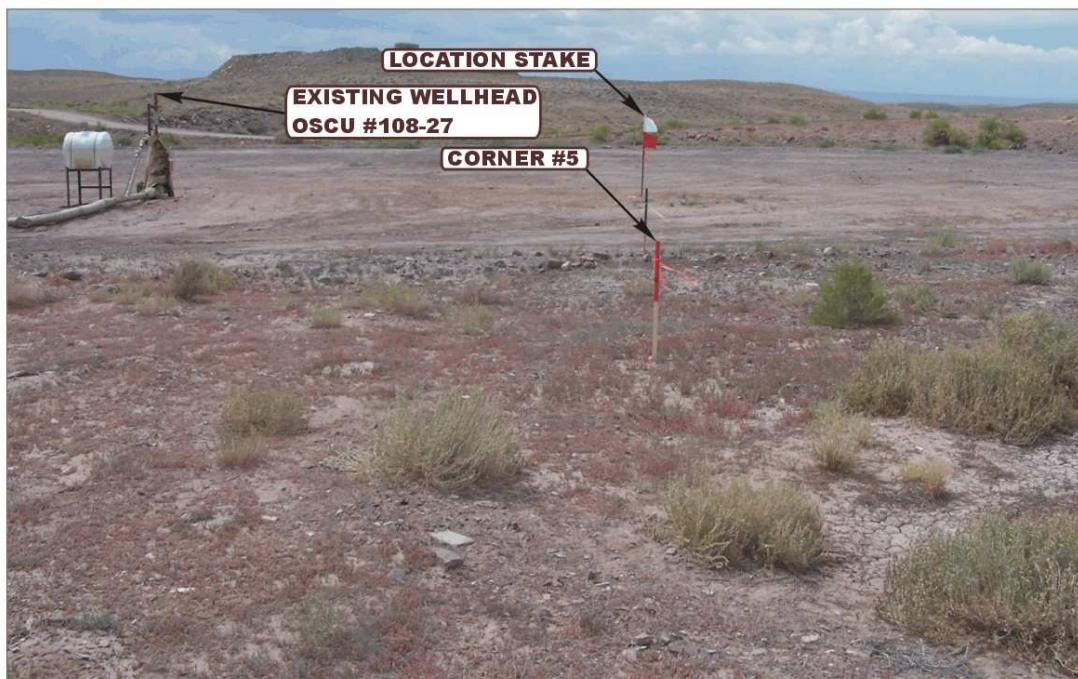


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: WESTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -



Uintah Engineering & Land Surveying

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LOCATION PHOTOS

05 23 05
MONTH DAY YEAR

PHOTO

TAKEN BY: G.S.

DRAWN BY: A.A.

REV: 09-12-08 Z.L.

85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

EOG RESOURCES, INC.

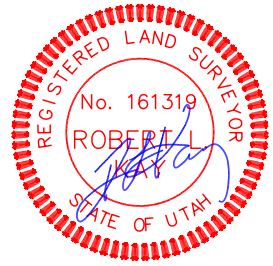
TYPICAL CROSS SECTIONS FOR

OSCU II #128-27

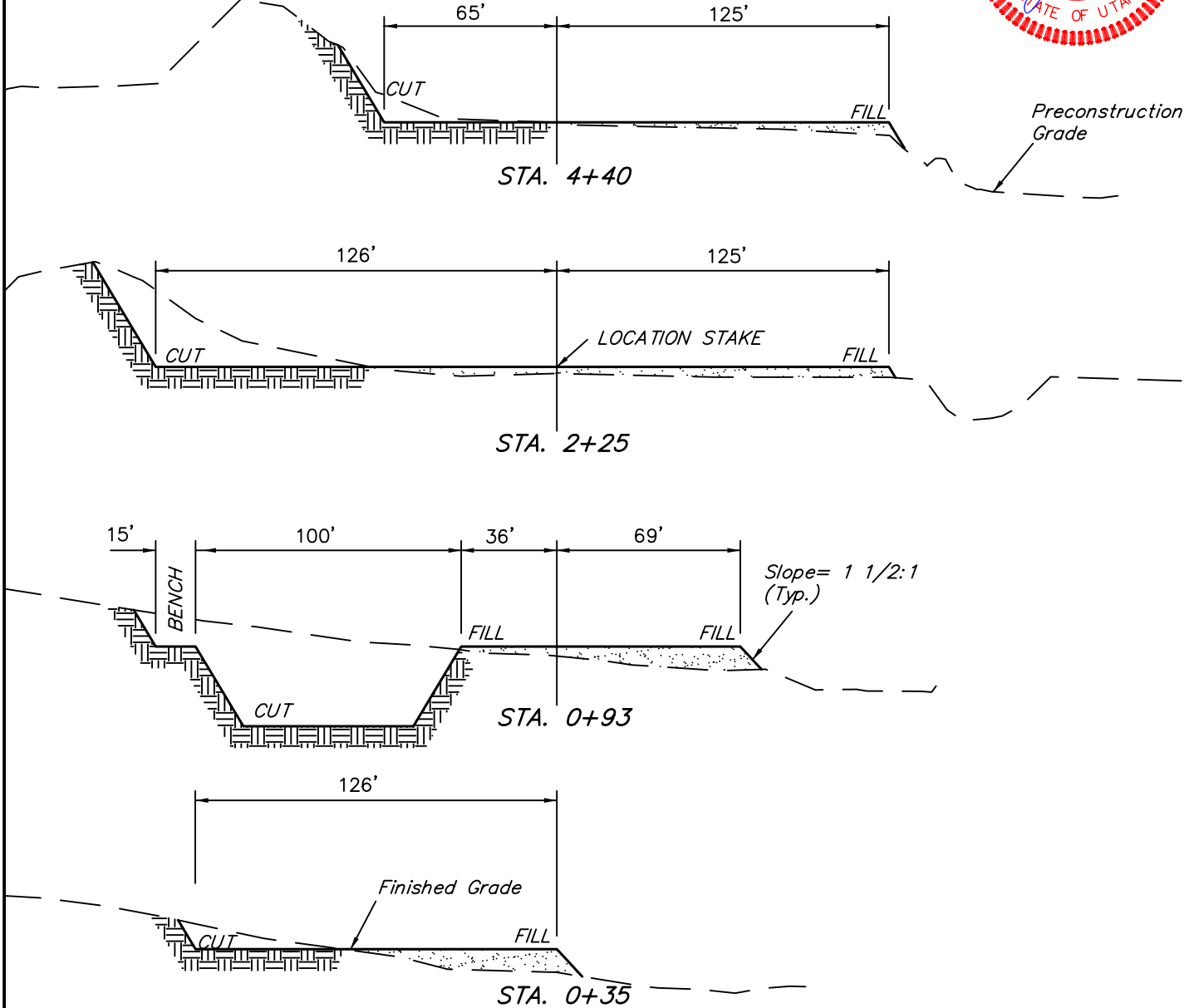
SECTION 27, T10S, R19E, S.L.B.&M.

421' FNL 829' FEL

FIGURE #2



1" = 24'
X-Section
Scale
1" = 60'
DATE: 08-10-07
Drawn By: K.E.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE ACREAGES

WELL SITE DISTURBANCE = ± 2.263 ACRES
(New Construction Only)

*** NOTE:**

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping = 710 Cu. Yds.

(New Construction Only)

Remaining Location = 7,130 Cu. Yds.

TOTAL CUT = 7,840 CU.YDS.

FILL = 4,700 CU.YDS.

EXCESS MATERIAL = 3,140 Cu. Yds.

Topsoil & Pit Backfill = 3,140 Cu. Yds.
(1/2 Pit Vol.)

EXCESS UNBALANCE = 0 Cu. Yds.
(After Interim Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING

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EOG RESOURCES, INC.

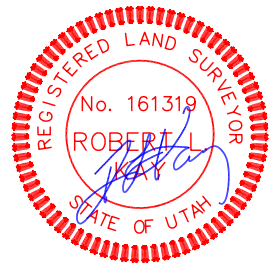
PRODUCTION FACILITY LAYOUT FOR

OSCU II #128-27

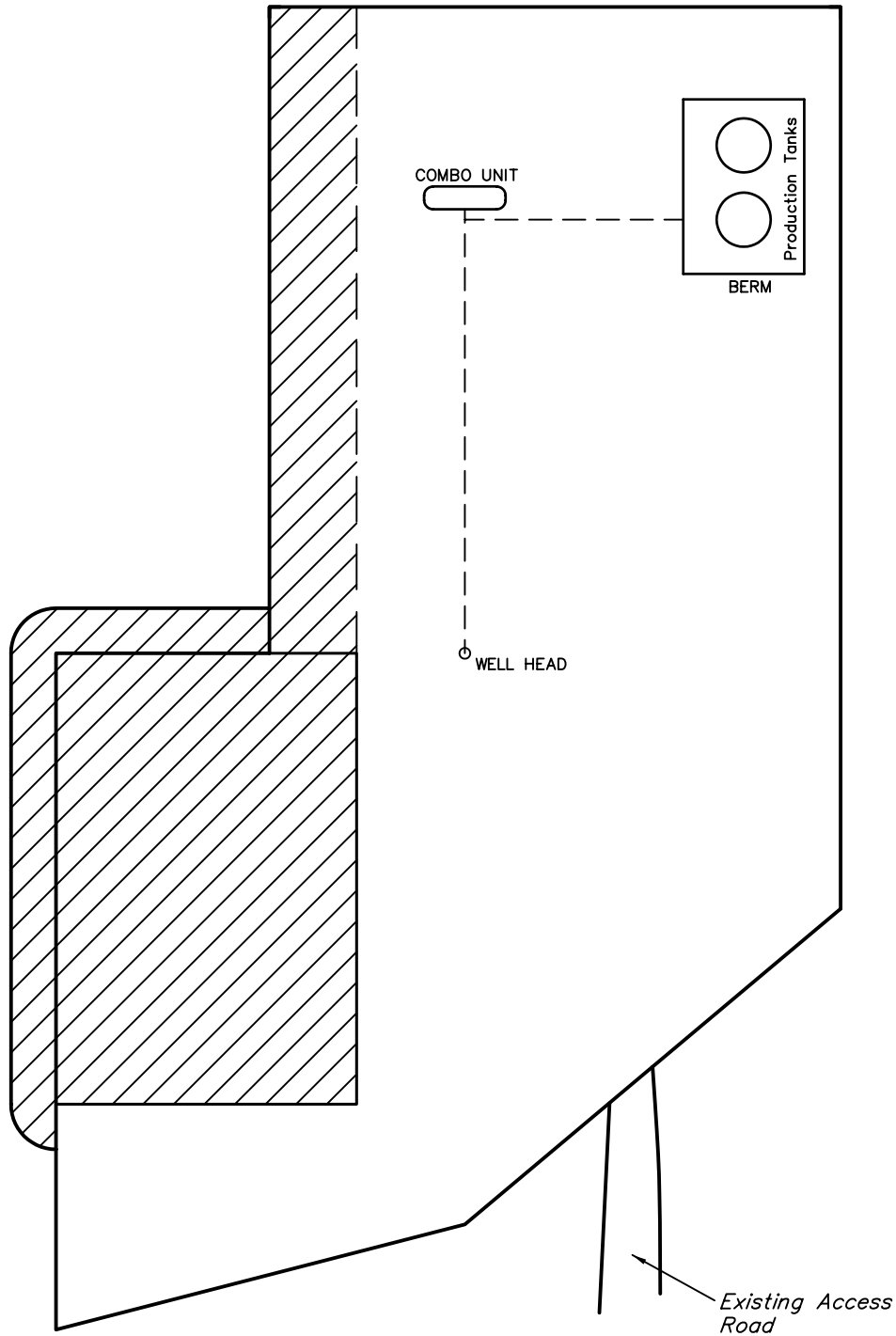
SECTION 27, T10S, R19E, S.L.B.&M.

421' FNL 829' FEL

FIGURE #3



SCALE: 1" = 60'
DATE: 08-10-07
Drawn By: K.E.

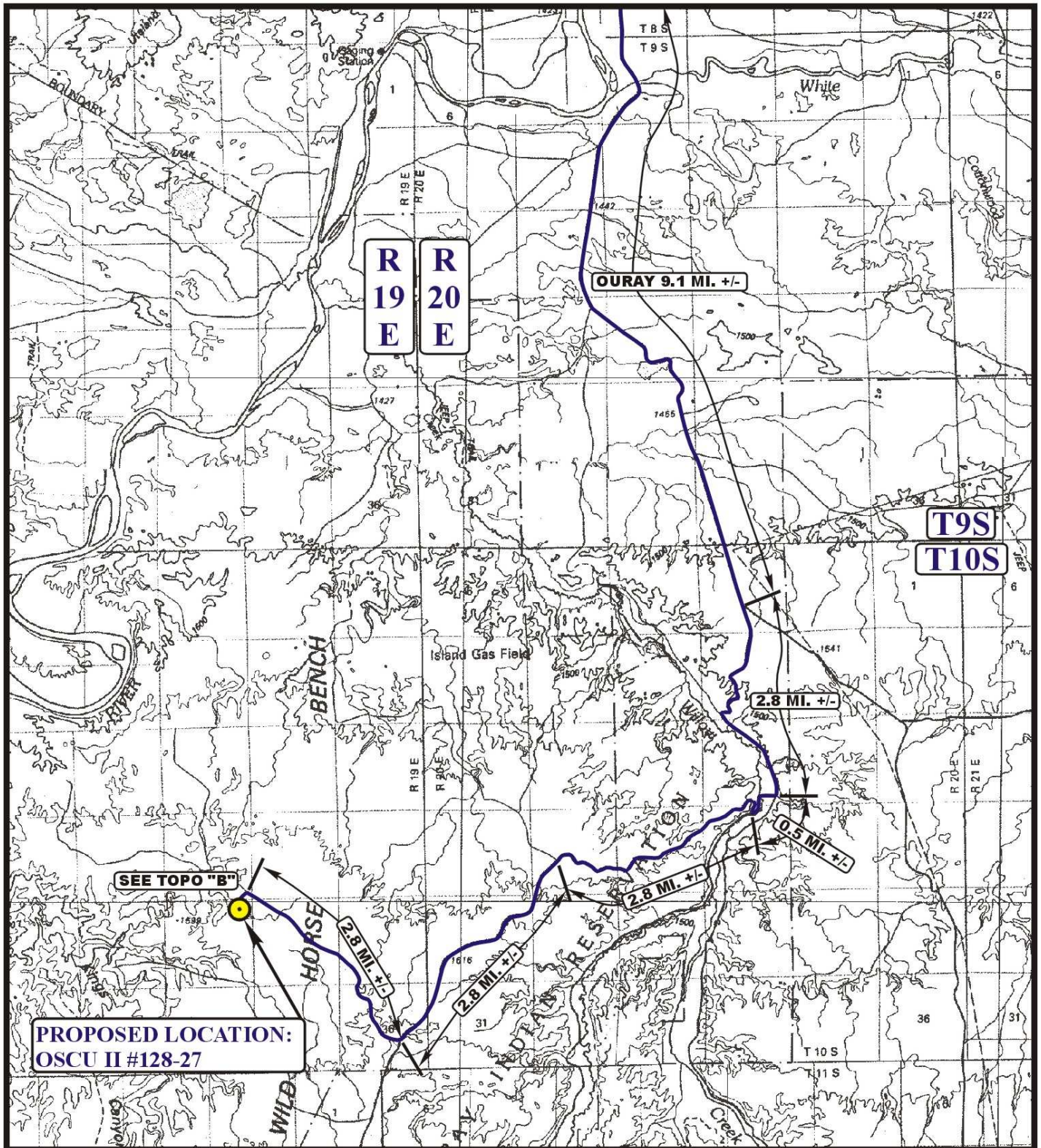


RE-HABED AREA

EOG RESOURCES, INC.
OSCU II #128-27
SECTION 27, T10S, R19E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 52.0 MILES.



LEGEND:

● PROPOSED LOCATION



EOG RESOURCES, INC.

OSCUII #128-27
SECTION 27, T10S, R19E, S.L.B.&M.
421' FNL 829' FEL



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**TOPOGRAPHIC
MAP**

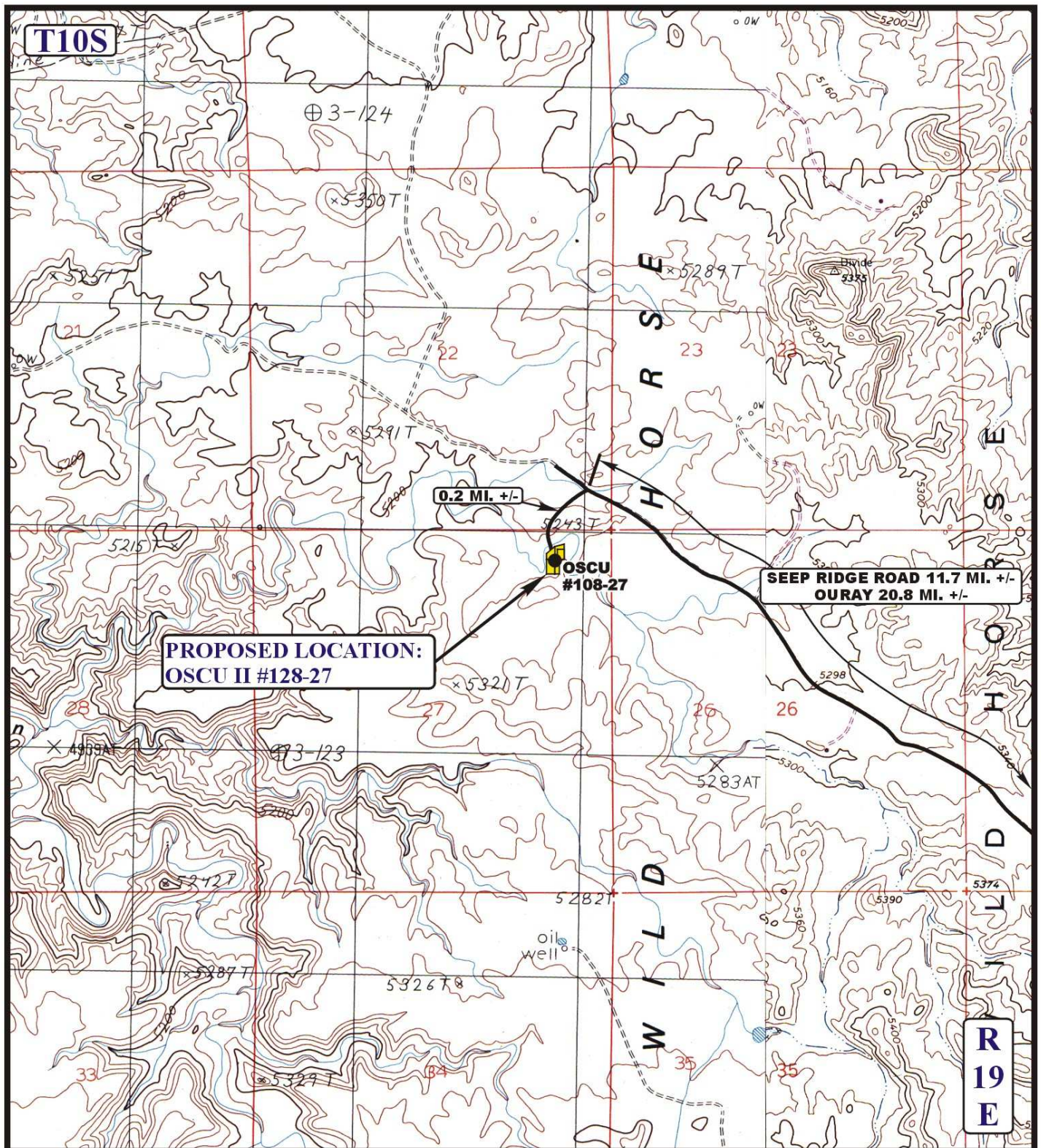
05 23 05
MONTH DAY YEAR

SCALE: 1:100,000

DRAWN BY: A.A.

REV: 09-12-08 Z.L.





LEGEND:

————— EXISTING ROAD
 - - - - - PROPOSED ACCESS ROAD



EOG RESOURCES, INC.

OSCU II #128-27
SECTION 27, T10S, R19E, S.L.B.&M.
421' FNL 829' FEL



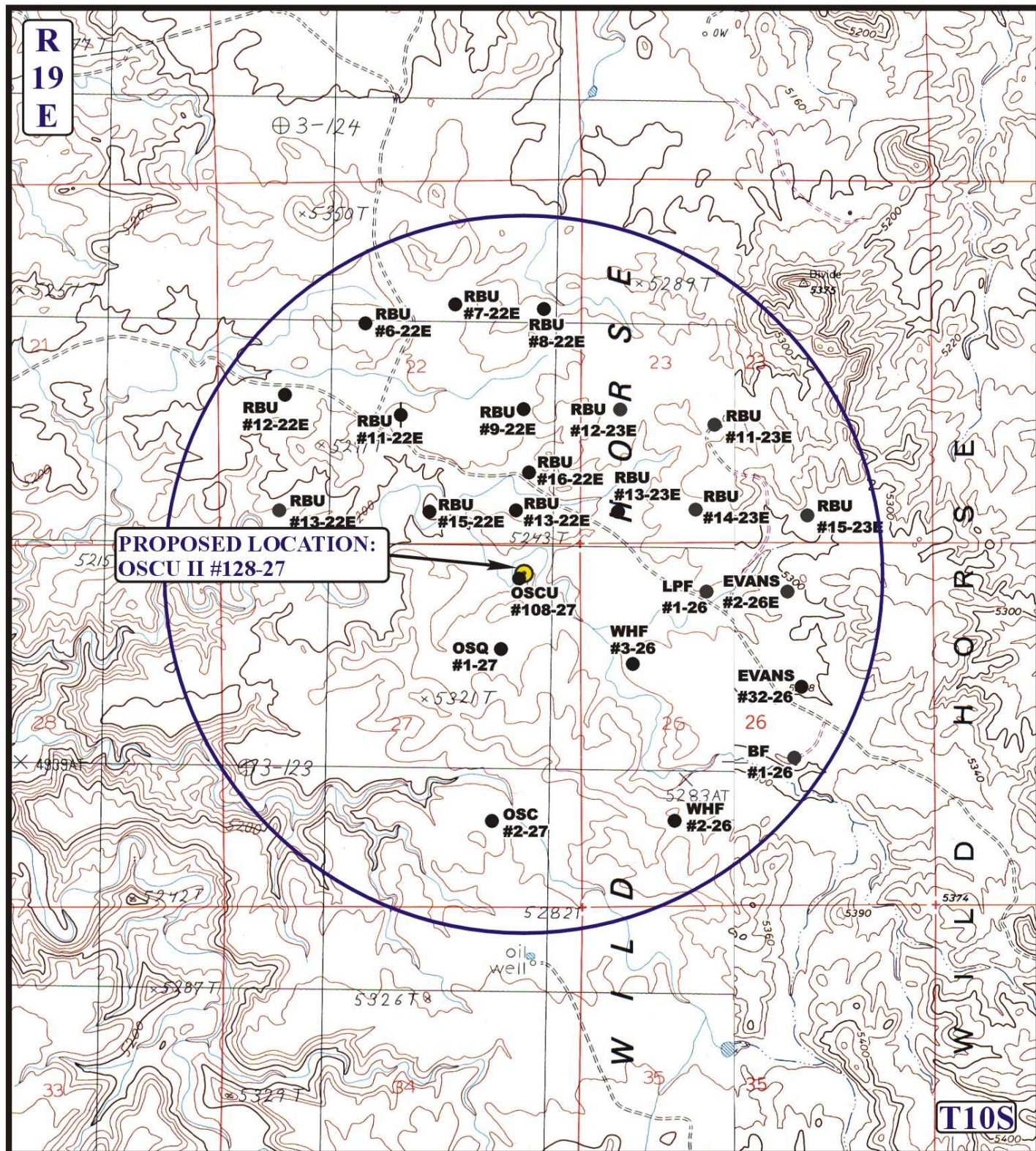
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TOPOGRAPHIC
MAP

05 23 05
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: A.A. REV: 09-12-08 Z.L.L.





LEGEND:

- | | |
|-------------------|-------------------------|
| ⊘ DISPOSAL WELLS | ⊘ WATER WELLS |
| ● PRODUCING WELLS | ⊘ ABANDONED WELLS |
| ⊘ SHUT IN WELLS | ● TEMPORARILY ABANDONED |



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EOG RESOURCES, INC.

OSCU II #128-27
SECTION 27, T10S, R19E, S.L.B.&M.
421' FNL 829' FEL

**TOPOGRAPHIC
MAP**

05 23 05
MONTH DAY YEAR

SCALE: 1" = 2000'

DRAWN BY: A.A.

REV: 09-12-08 Z.L.





***Old Squaws Crossing Unit II 128-27
NENE, Section 27, T10S, R19E
Uintah County, Utah***

SURFACE USE PLAN

The well pad is approximately 405 feet long with a 261-foot width, containing 2.43 acres more or less. New surface disturbance associated with the well pad is estimated to be 2.43 acres.

1. EXISTING ROADS:

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 52.0 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

- A. The existing access road for the Old Squaws Crossing Unit II 108-27 will be used to access the proposed location. No new road will be required.
- B. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

Traveling off the 30-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:

See attached TOPO map "C" for the location of wells within a one-mile radius.

4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

A. On Well Pad

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and attaching piping.
2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

B. Off Well Pad

1. No new off-pad pipeline will be required. The existing pipeline for the Old Squaws Crossing Unit II 108-27 will be used to transport gas from the proposed location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All facilities will be painted with Carlsbad Canyon or Covert Green.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water supply will be Bonanza Power Plant water source in Sec 26, T8S, R23E, Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIALS:

- A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

1. Cuttings will be confined in the reserve pit.
2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.

Old Squaws Crossing Unit II 128-27
Surface Use Plan

Page 3

3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD, CWU 2-29 SWD, Red Wash Evaporation ponds 1, 2, 3 4, 5 or 6, Coyote Evaporation Ponds 1, 2, 3, or 4, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt, and a 16-millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) will be used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the northeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the east side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protection of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the north.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

**Old Squaws Crossing Unit II 128-27
Surface Use Plan**

Page 5

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Interim Reclamation (Producing Location)

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
HyCrest Wheatgrass	5.0
Shadscale	4.0
Prostrate Kochia	3.0

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

Bureau of Land Management

12. OTHER INFORMATION:

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.
- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)
- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants on November 7, 2007. A paleontological survey was conducted and submitted by Intermountain Paleo on May 1, 2008.

Additional Surface Stipulations:

None.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

Mary A. Maestas
EOG Resources, Inc.
1060 East Highway 40
Vernal, UT 84078
(435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

**Old Squaws Crossing Unit II 128-27
Surface Use Plan**

Page 9

CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Old Squaws Crossing Unit II 128-27 Well, located in the NENE, of Section 27, T10S, R19E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

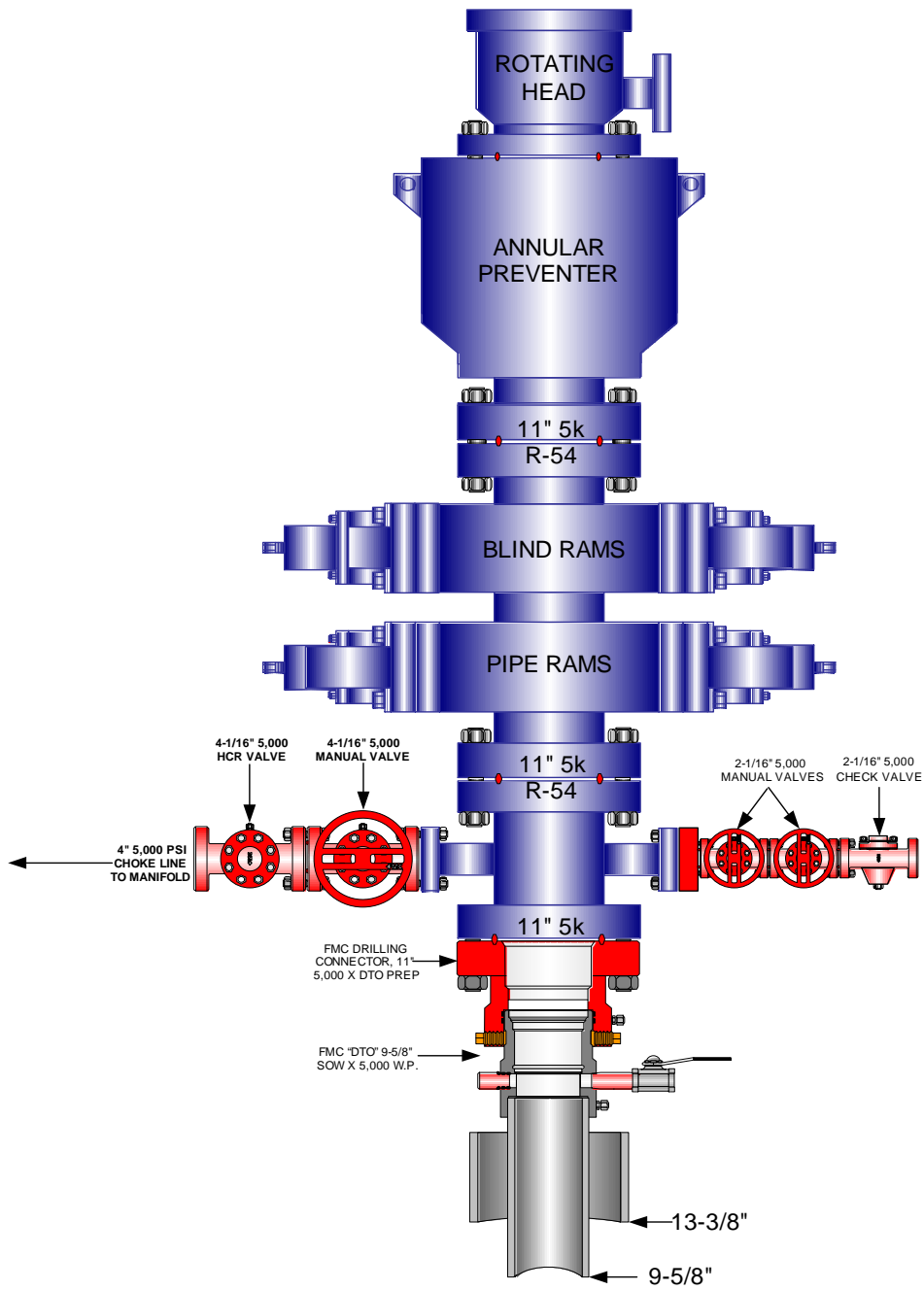
October 21, 2008

Date

Mary A. Maestas, Regulatory Assistant

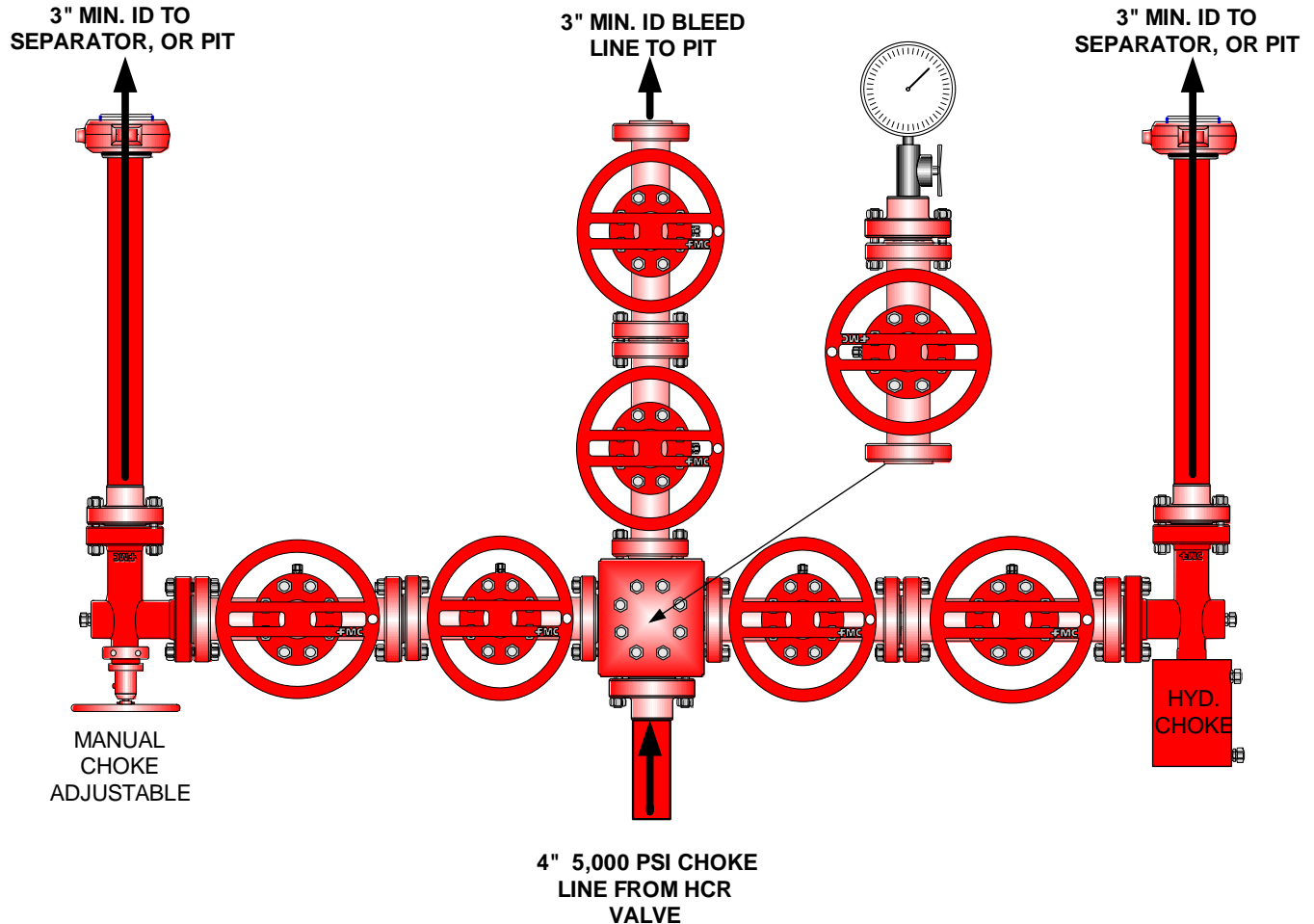
**EOG RESOURCES 11" 5,000 PSI W.P. BOP
CONFIGURATION**

PAGE 1 OF 2



**EOG RESOURCES CHOKE MANIFOLD CONFIGURATION
W/ 5,000 PSI WP VALVES**

PAGE 2 OF 2



Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, **whichever is greater.**
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.

STATE OF COLORADO)

) ss

COUNTY OF DENVER)

VERIFICATION

Mary A. Maestas, of lawful age, being first duly sworn upon oath, deposes and says:

She is a Regulatory Assistant of EOG Resources, Inc., of Denver, Colorado. EOG Resources, Inc. is the operator of the following described well:


**Old Squaws Crossing Unit II 128-27
421' FNL – 829' FEL (NENE)
SECTION 27, T10S, R19E
UINTAH COUNTY, UTAH**

EOG Resources, Inc., and XTO Energy, Exhibit A, are the only owners in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 22nd day of October, 2008 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

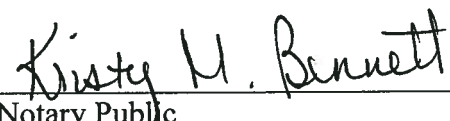
Said envelope, which contained these instruments, was addressed to the Utah Division of Oil, Gas & Mining, Bureau of Land Management, and XTO Energy.

Further affiant saith not.



Mary A. Maestas
Regulatory Assistant

Subscribed and sworn before me this 22nd day of October, 2008.

My Commission Expires: 

Notary Public

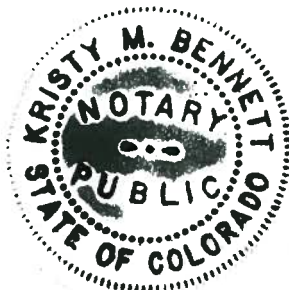
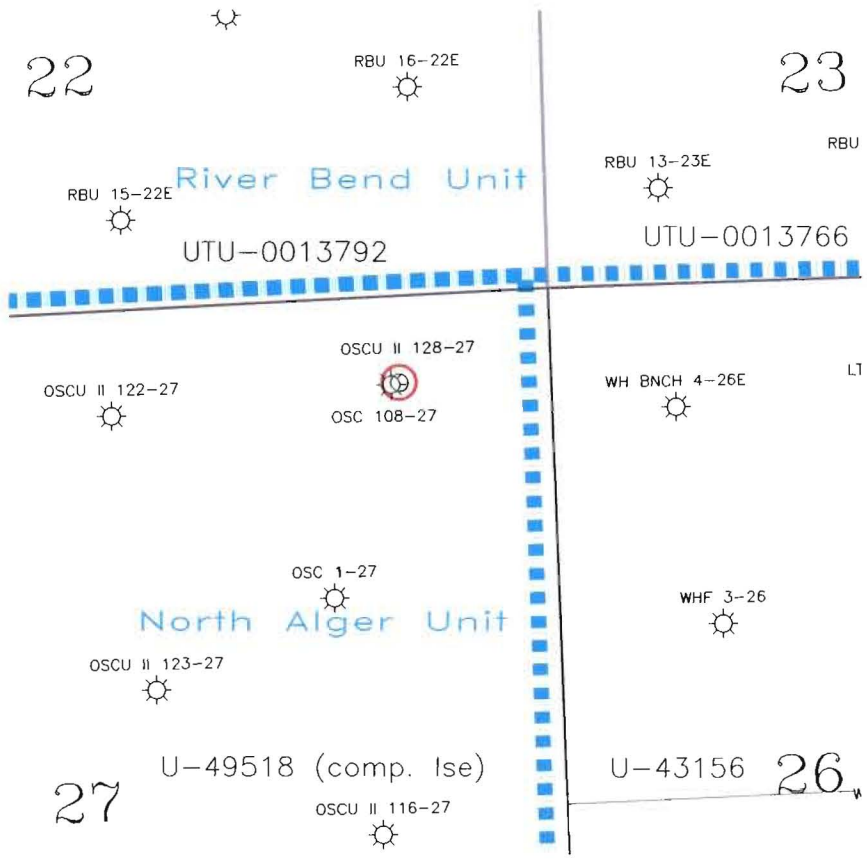


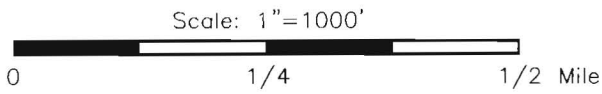
Exhibit "A" to Affidavit
Old Squaws Crossing Unit II 128-27 Application to Commingle


XTO Energy
810 Houston Street
Fort Worth, Texas 76012-6298
Attn: Mick Dow

R 19 E



○ OSCU II 128-27





Denver Division

EXHIBIT "A"

OSCU II 128-27

Commingling Application

Uintah County, Utah

Scale: 1"=1000'	D:\utah\Commingling\page_OSCU_II_128-27_commingling.tlm	Author TLM	Aug 19, 2008 - 8:14am
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'APIWellNo:43047501960000'

API Number: 4304750196

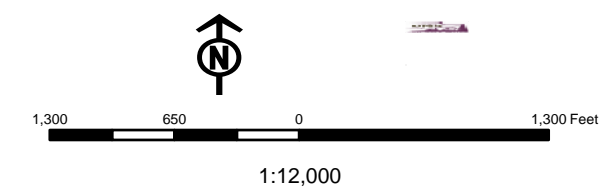
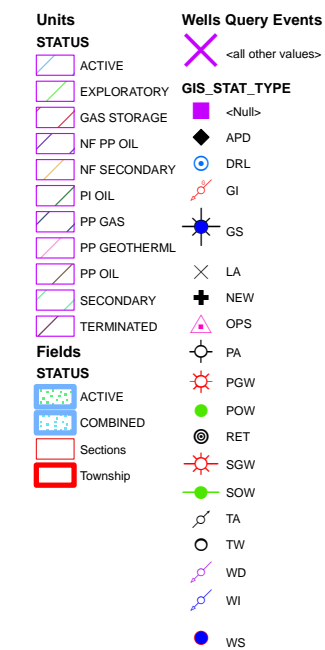
Well Name: OSCU II 128-27

Township 10.0 S Range 19.0 E Section 27

Meridian: SLBM

Operator: EOG RESOURCES, INC.

Map Prepared:
Map Produced by Diana Mason



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

October 22, 2008

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2008 Plan of Development North Alger Unit Uintah County,
Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following well is planned for calendar year 2008 within the North Alger Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
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(Proposed PZ PRICE RIVER)

43-047-50196 OSCU II 128-27 Sec 27 T10S R19E 0421 FNL 0829 FEL

Our records indicate the OSCU II 128-27 is closer than 460 feet from the North Alger Unit boundary.

We have no objections to permitting the wells so long as the unit operator receives an exception to the locating and siting requirements of the State of Utah (R649-3-2).

/s/ Michael L. Coulthard

bcc: File – North Alger Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:10-22-08



EOG Resources, Inc.

600 Seventeenth Street
Suite 1000N
Denver, CO 80202
Main: 303-572-9000
Fax: 303-824-5400

January 28, 2009

43-047-50194

State of Utah
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Attention: Ms. Diana Whitney

RE: Request for Exception to Location
and Siting of Wells
Old Squaws Crossing Unit II 128-27
NE/4NE/4 of Sec. 27-10S-19E, SLM
Uintah County, Utah
Old Squaw's Crossing Prospect
1560-G06, 0050724-000

Ladies and Gentlemen:

EOG Resources, Inc. ("EOG") proposes and respectfully requests permission to drill the Old Squaws Crossing Unit II 128-27, a 10,340' Wasatch/Mesaverde test well, at a location 421' FNL, 829' FEL (NE/4NE/4) of Section 27, Township 10 South, Range 19 East, SLM, Uintah County, Utah, which is not a location at which a well could be drilled in compliance with General Rule R649-3-2.

The subject Old Squaws Crossing Unit II 128-27 well is a twin to the Old Squaws Crossing Unit II 108-27 well. The decision to twin the existing location was to avoid additional surface disturbance in this area. In doing so, because of topography, the Old Squaws Crossing Unit II 128-27 was staked closer than 460' to the lease/unit boundary. Therefore, EOG is requesting this exception location.

Enclosed herewith is a copy of the survey plat for the proposed well and another plat labeled Exhibit "A" which depicts the outlines of the 40-acre drilling units established in General Rule R649-3-2, the location at which EOG requests permission to drill the proposed Old Squaws Crossing Unit II 128-27 well, and the Wasatch/Mesaverde formation wells which have been drilled within the area.

RECEIVED

FEB 02 2009

DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining
January 28, 2009
Page 2 of 2

XTO Energy ("XTO") is the only owner of operating rights within a 460' radius of the proposed Old Squaws Crossing Unit II 128-27 well (see Exhibit "B" enclosed). A letter dated October 23, 2008, in which XTO evidenced their written consent to EOG's proposed drilling of the Old Squaws Crossing Unit II 128-27 well at the requested exception location is also enclosed.

EOG respectfully requests the Utah Division of Oil, Gas and Mining review and grant administrative approval of this application for an exception well location and permission to drill the proposed Wasatch/Mesaverde formation well described herein at its earliest opportunity.

If you have any questions or need any additional information, please do not hesitate to contact the undersigned.

Yours very truly,

EOG RESOURCES, INC.



Debbie Spears
Land Associate

/das

Enclosures

M:\das\exceptionlocation\OSC128-27.doc

cc: Kaylene Gardner (with copies of enclosures)
Denver Well File (with copies of enclosures)

T10S, R19E, S.L.B.&M.

EOG RESOURCES, INC.

1956 Brass Cap, 0.8' High, Set Stone, Pile of Stones, Sign & Post

1956 Brass Cap,
1.2' High, Pile
of Stones.

S89°57'21"W - 2642.10' (Meas.)

1956 Brass Cap,
0.5' High, Pile
of Stones, Sign
& Post

S89°57'10"W - 2642.68' (Meas.)

9V

4-562.5/925.78

$N00.34'30''W - 2667.05' (Meas.)$

OSCU II #128-27
Elev. Ungraded Ground

1956 Brass Cap,
Flush W/ Mound.

$500.5819''E - 2659.58' (Meas.)$

1956 Brass Cap,
0.8' High, Pile
of Stones

$N00.35'31''W - 2665.22' (Meds.)$

1956 Brass Cap,
0.6' High, Pile
of Stones

N 89° 54' 31" W - 2624.89' (Meas.)

N 89° 54' 13" W - 2624.27' (Meas.)

(NAD 83)
LATITUDE = 39°55'27.54" (39.924317)
LONGITUDE = 109°45'42.57" (109.761825)
(NAD 27)
LATITUDE = 39°55'27.67" (39.924353)
LONGITUDE = 109°45'40.07" (109.761131)

LEGEND:

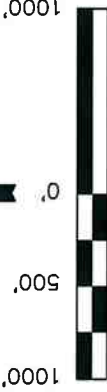
$\angle = 90^\circ$ SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 20, T10S, R19E, S1/4&M. TAKEN FROM THE BIG PACK MNT. NW QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5251 FEET



SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 840

(435) 789-1017

SCALE	DATE SURVEYED:	DATE DRAWN:
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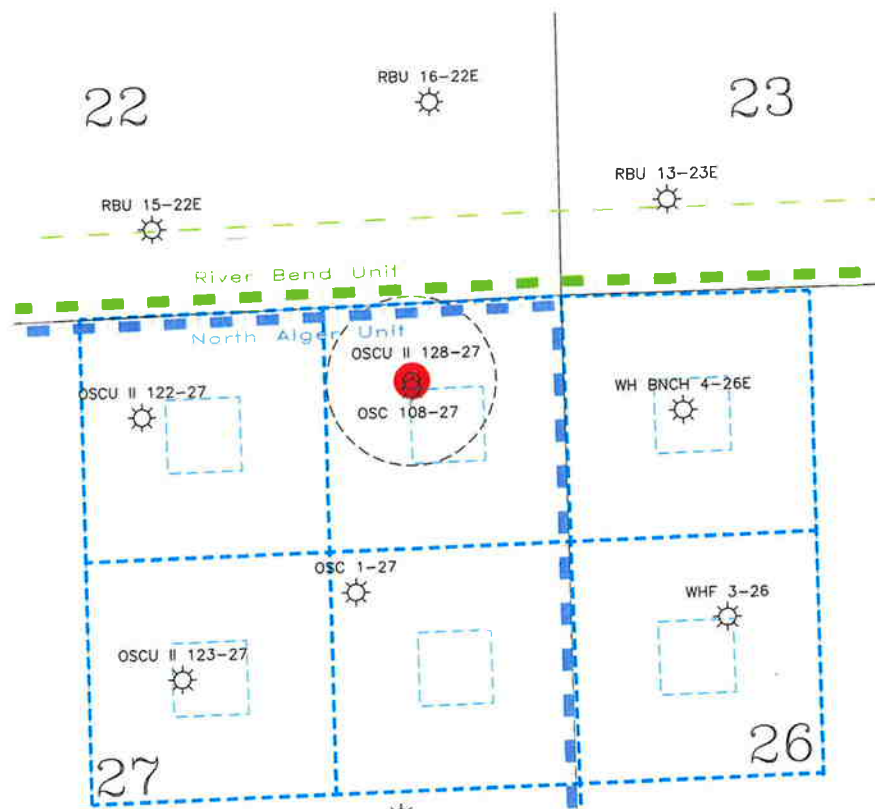
PARTY	REFERENCES

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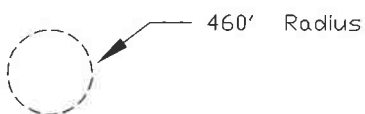
EOG RESOURCES, INC.

R 19 E



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- Oil or Gas Well Location Pattern pursuant to Utah Administrative Code Rule R 649-3-2
- Legal window within which an oil and gas well could be drilled in compliance with R 649-3-2.
- River Bend Unit
- 460' Setback from Unit line per Cause No. 259-01



Locations at which oil or gas wells have been drilled

Location at which applicant requests permission to drill the proposed OSCU II 128-27 Well
421' FNL, 829' FEL (NENE) of Sec. 27, T10S, R19E

Scale: 1"=1000'
0 1/4 1/2 Mile



Exhibit "A"



Denver Division

Application for
Exception Well Location

OSCU II 128-27 Well

UINTAH COUNTY, UTAH

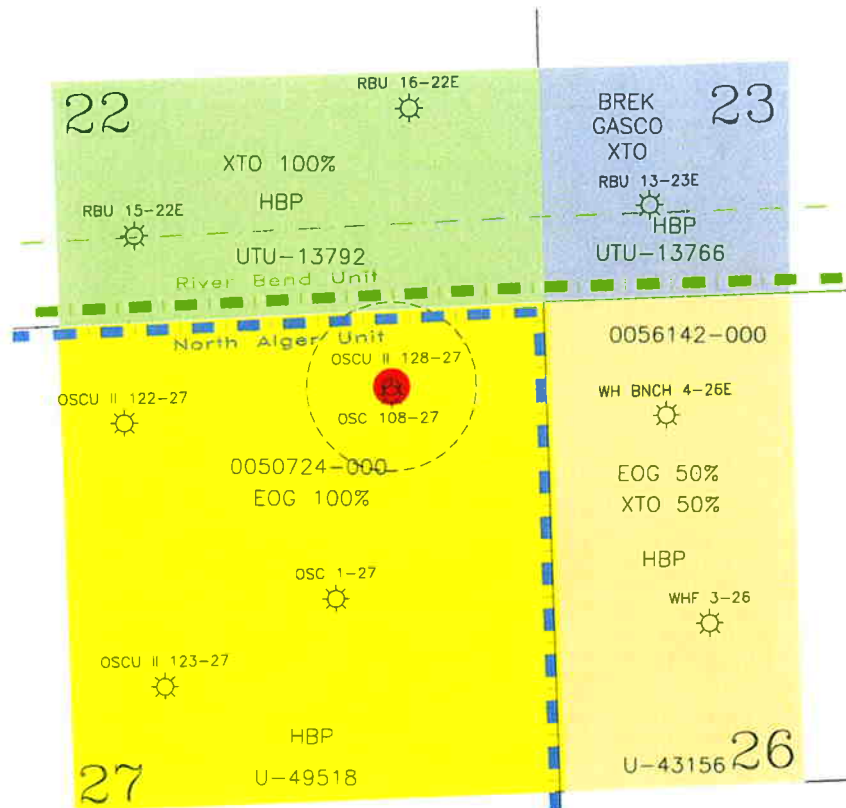
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Author
gt

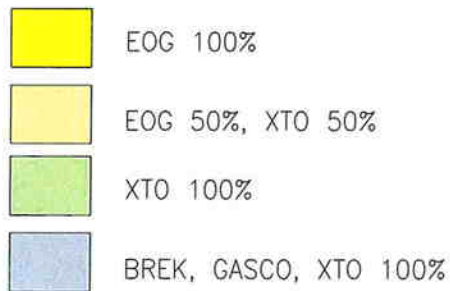
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Working Interest (Mesaverde Formation)



Location at which applicant requests permission to drill the proposed OSCU II 128-27 Well
421' FNL, 829' FEL (NENE) of Sec. 27, T10S, R19E

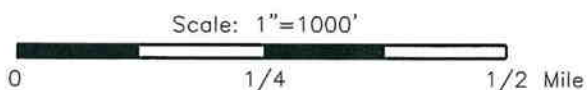


Exhibit "B"



Denver Division

Application for
Exception Well Location

OSCU II 128-27 Well

UINTAH COUNTY, UTAH

Scale: 1"=1000'	D:\total\exception_plat\exc10s19e-27b.dwg exc_8-40	Author	Oct 22, 2008 - 2:20pm
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EOG Resources, Inc.
600 Seventeenth Street
Suite 1000N
Denver, CO 80202
Main: 303-572-9000
Fax: 303-824-5400

October 23, 2008

RECEIVED

JAN 26 2009

EOG Resources, Inc.
Denver

XTO Energy
810 Houston Street
Fort Worth, Texas 76012-6298

Attention: Mr. Mick Dow

RECEIVED

JAN 21 2009

EOG Resources, Inc.
Denver

RE: Request for Consent to
Exception Well Location
OSCU II 128-27
NE/4NE/4 of Sec. 27-10S-19E, SLM
Uintah County, Utah
Old Squaws Crossing Prospect
1560-G06, 0050724-000

Gentlemen:

EOG Resources, Inc. ("EOG") has staked and proposes to drill the OSCU II 128-27, a 10,340' Wasatch/Mesaverde formation test well, at a location 421' FNL, 829' FEL, (NE/4NE/4) of Section 27, Township 10 South, Range 19 East, SLM, Uintah County, Utah (see enclosed copies of plats).

The State of Utah Board of Oil, Gas and Mining established General Rule R649-3-2, which requires a well be located in the center of a 40-acre quarter-quarter section with a tolerance of 200' in any direction (a window 400' square) and not less than 920' from any other well drilling to, completed in and/or capable of producing from same pool.

In order to minimize surface disturbance, EOG staked this well as a twin to the existing OSCU II 108-27 well. Due to topography (e.g. a hill and drainages), the OSCU II 128-27 well had to be located closer than 460' to the lease/unit boundary which made this a location not in compliance with the general rule as stated above. EOG will request the State of Utah Division of Oil, Gas and Mining's administrative approval of such location as an exception location in accordance with General Rule R649-3-3. Such Rule requires EOG to submit written consent from all owners within a 460' radius of the proposed well.

XTO Energy
October 23, 2008
Page 2 of 2

Therefore, if you have no objections to EOG's drilling this proposed Wasatch/Mesaverde test well at the above-described location, EOG respectfully requests you so indicate such written consent to same by having this letter dated and executed in the spaces provided below and returning one (1) originally executed copy to my attention at the letterhead address at your very earliest opportunity.

Thank you for your favorable consideration of this request. If you have any questions, please don't hesitate to call the undersigned at (303) 824-5430.

Sincerely,

EOG RESOURCES, INC.



Debbie Spears
Land Associate

/das
exloc\osc128-27

On this 23rd day of January, ²⁰⁰⁹~~2008~~, the undersigned hereby grants its written consent to EOG Resources, Inc.'s drilling the proposed Wasatch/Mesaverde test, the OSCU II 128-27, at a location 421' FNL, 829' FEL (NE/4NE/4) of Section 27, Township 10 South, Range 19 East, SLM, Uintah County, Utah, which location is an exception to State of Utah Board of Oil, Gas and Mining's General Rule R649-3-2.

XTO ENERGY

By: _____

Title: Mick Dow - Associate Landman

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/21/2008

API NO. ASSIGNED: 43047501960000

WELL NAME: OSCU II 128-27

OPERATOR: EOG Resources, Inc. (N9550)

PHONE NUMBER: 303 824-5526

CONTACT: Mary Maestas

PROPOSED LOCATION: NENE 27 100S 190E

Permit Tech Review: ☒

SURFACE: 0421 FNL 0829 FEL

Engineering Review: ☒

BOTTOM: 0421 FNL 0829 FEL

Geology Review: ☒

COUNTY: UINTAH

LATITUDE: 39.92432

LONGITUDE: -109.76106

UTM SURF EASTINGS: 605876.00

NORTHINGS: 4419882.00

FIELD NAME: NATURAL BUTTES

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU49518

PROPOSED FORMATION: PRRV

SURFACE OWNER: 1 - Federal

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- ☒ **PLAT**
- ☒ **Bond:** FEDERAL - NM2308
- ☐ **Potash**
- ☐ **Oil Shale 190-5**
- ☐ **Oil Shale 190-3**
- ☐ **Oil Shale 190-13**
- ☒ **Water Permit:** 49-225
- ☐ **RDCC Review:**
- ☐ **Fee Surface Agreement**
- ☐ **Intent to Commingle**

LOCATION AND SITING:

- ☐ **R649-2-3.**
- Unit:** NORTH ALGER
- ☐ **R649-3-2. General**
- ☐ **R649-3-3. Exception**
- ☒ **Drilling Unit**
- Board Cause No:** R649-3-3
- Effective Date:**
- Siting:**
- ☐ **R649-3-11. Directional Drill**

Comments: Presite Completed
NEEDS EX LOC INFO:

Stipulations: 3 - Commingling - dmason
4 - Federal Approval - bhill
16 - Same Formation - bhill



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: OSCU II 128-27
API Well Number: 43047501960000
Lease Number: UTU49518
Surface Owner: FEDERAL
Approval Date: 2/10/2009

Issued to:

EOG Resources, Inc., 600 17th Street, Suite 1000 N, Denver, CO 80202

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-3.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

Commingle:

Administrative approval for commingling the production from the Wasatch formation and the Mesaverde formation in this well is hereby granted. Appropriate information has been submitted to DOGM in accordance with R649-3-22. No written objections from owners were received by DOGM.

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

The OSCU II 128-27 shall not be produced from the Wasatch zone as is producing in the OSCU II 108-27 well.

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

Notification Requirements:

Notify the Division with 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

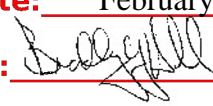
Reporting Requirements:

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

Approved By:

A handwritten signature in black ink, appearing to read "Gil Hunt", written over a horizontal line.

For Gil Hunt
Associate Director, Oil & Gas

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9			
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU49518			
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
2. NAME OF OPERATOR: EOG Resources, Inc.		7. UNIT or CA AGREEMENT NAME: NORTH ALGER			
3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1000 N , Denver, CO, 80202		8. WELL NAME and NUMBER: OSCU II 128-27			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0421 FNL 0829 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 27 Township: 10.0S Range: 19.0E Meridian: S		9. API NUMBER: 43047501960000			
PHONE NUMBER: 435 781-9111 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES			
COUNTY: UINTAH		STATE: UTAH			
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA					
TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 2/9/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: _____ </td> </tr> </table>		<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: _____
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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.					
Approved by the Utah Division of Oil, Gas and Mining					
Date: February 16, 2010					
By: 					
NAME (PLEASE PRINT) Mickenzie Gates	PHONE NUMBER 435 781-9145	TITLE Operations Clerk			
SIGNATURE N/A	DATE 2/9/2010				



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047501960000

API: 43047501960000

Well Name: OSCU II 128-27

Location: 0421 FNL 0829 FEL QTR NENE SEC 27 TWNP 100S RNG 190E MER S

Company Permit Issued to: EOG RESOURCES, INC.

Date Original Permit Issued: 2/10/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

**Approved by the
Utah Division of
Oil, Gas and Mining**

Signature: Mickenzie Gates

Date: 2/9/2010

Title: Operations Clerk **Representing:** EOG RESOURCES, INC.

Date: February 16, 2010

By: 

RECEIVED February 09, 2010

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU49518
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: EOG Resources, Inc.		7. UNIT or CA AGREEMENT NAME: NORTH ALGER
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078		8. WELL NAME and NUMBER: OSCU II 128-27
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0421 FNL 0829 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 27 Township: 10.0S Range: 19.0E Meridian: S		9. API NUMBER: 43047501960000
PHONE NUMBER: 435 781-9111 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UTAH		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 1/25/2011 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
 EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 01/25/2011

By:

NAME (PLEASE PRINT) Michelle Robles	PHONE NUMBER 307 276-4842	TITLE Regulatory Assistant
SIGNATURE N/A		DATE 1/25/2011



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047501960000

API: 43047501960000

Well Name: OSCU II 128-27

Location: 0421 FNL 0829 FEL QTR NENE SEC 27 TWNP 100S RNG 190E MER S

Company Permit Issued to: EOG RESOURCES, INC.

Date Original Permit Issued: 2/10/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

Signature: Michelle Robles

Date: 1/25/2011

Title: Regulatory Assistant **Representing:** EOG RESOURCES, INC.

RECEIVED January 25, 2011

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

10/1/2011

FROM: (Old Operator):

N9550- EOG Resources, Inc
 1060 East Highway 40
 Vernal, UT. 84078

Phone: 1 (435) 781-9145

TO: (New Operator):

N3755- Koch Exploration Company, LLC
 9777 Pyramid Court Suite 210
 Englewood CO 80112

Phone: 1 (303) 325-2569

CA No.

Unit:

North Alger

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
See List								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 11/9/2011
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 11/9/2011
3. The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 4/26/2012
- 4a. Is the new operator registered in the State of Utah: Business Number: 5078823-0161
- 5a. (R649-9-2)Waste Management Plan has been received on: Yes
- 5b. Inspections of LA PA state/fee well sites complete on: N/A
- 5c. Reports current for Production/Disposition & Sundries on: Yes
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 11/2/2011 BIA N/A
7. **Federal and Indian Units:**
 The BLM or BIA has approved the successor of unit operator for wells listed on: N/A
8. **Federal and Indian Communization Agreements ("CA"):**
 The BLM or BIA has approved the operator for all wells listed within a CA on: N/A
9. **Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 4/26/2012
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 4/26/2012
3. Bond information entered in RBDMS on: N/A
4. Fee/State wells attached to bond in RBDMS on: N/A
5. Injection Projects to new operator in RBDMS on: N/A
6. Receipt of Acceptance of Drilling Procedures for APD/New on: 4/26/2012

BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: COB000296
2. Indian well(s) covered by Bond Number: N/A
- 3a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number N/A
- 3b. The **FORMER** operator has requested a release of liability from their bond on: N/A

LEASE INTEREST OWNER NOTIFICATION:

4. (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS: Koch accepted these "APD" wells on 4/3/2012

EOG Resources Inc (N9550) to
Koch Exploration Company, LLC (N3755)
NORTH ALGER UNIT
Effective 10/1/2011

well_name	sec	twp	rng	api	Entity	lease	well	stat	l_num
OSCU II 111-27	27	100S	190E	4304737141		Federal	GW	APD	U-49518
OSCU II 128-27	27	100S	190E	4304750196		Federal	GW	APD	UTU49518
OSC UNIT II 107-27	27	100S	190E	4304751570		Federal	GW	APD	UTU49518

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
**Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No.
Multiple Leases

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
EOG Resources, Inc

N9550

3a. Address
1060 EAST HIGHWAY 40, VERNAL, UT 84078

3b. Phone No. (include area code)
435-781-9145

7. If Unit of CA/Agreement, Name and/or No.
Natural Buttes

8. Well Name and No.
Multiple Wells

9. API Well No.
See Attached

10. Field and Pool or Exploratory Area
Natural Buttes

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
See Attached

11. Country or Parish, State
Utah, Utah

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Change of Operator</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. has assigned all of its right, title and interest in the wells described in the attached list (the "Subject Wells") to Koch Exploration Company, LLC and will relinquish and transfer operatorship of all of the Subject Wells to Koch Exploration Company, LLC on October 1, 2011.

As of October 1, 2011, Koch Exploration Company, LLC will be considered to be the operator of each of the Subject Wells and will be responsible under the terms and conditions of the applicable lease for the operations conducted upon the leased lands. Bond coverage is provided under Koch Exploration Company, LLC's Nationwide BLM Bond No. COB000296.

KOCH EXPLORATION COMPANY, LLC

N3755

By: Brian J. Kissick Date: September 1, 2011

Brian J. Kissick
Vice President

Address: 9777 Pyramid Court, Suite 210
Englewood, Colorado 80112

Telephone Number: (303) 325-2561

RECEIVED

NOV 09 2011

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)
J. Michael Schween

Title Agent and Attorney-in-Fact

Signature

Date 09/01/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED 4/26/2012

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Request to Transfer Application or Permit to Drill

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	Old Squaws Crossing Unit II 128-27
API number:	43-047-50196
Location:	Qtr-Qtr: NENE Section: 27 Township: 10S Range: 19E
Company that filed original application:	EOG RESOURCES INC
Date original permit was issued:	
Company that permit was issued to:	

Check one	Desired Action:
<input checked="" type="checkbox"/>	Transfer pending (unapproved) Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input checked="" type="checkbox"/>	Transfer approved Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Rm

Following is a checklist of some items related to the application, which should be verified.	Yes	No
If located on private land, has the ownership changed?		
If so, has the surface agreement been updated?		
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?		✓
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?		✓
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?		✓
Has the approved source of water for drilling changed?		✓
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?		✓
Is bonding still in place, which covers this proposed well? Bond No. COB000296	✓	

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) DOUGLAS HOWARD Title VP OPERATIONS
Signature [Signature] Date 4/3/12
Representing (company name) KOCH EXPLORATION COMPANY LLC

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov/ut/st/en.html>



IN REPLY REFER TO:
3180 (UTU63094X)
UT-922

OCT 24 2011

Morgan J. Connor
Koch Exploration Company, LLC
9777 Pyramid Court, Suite 210
Englewood, CO 80112

Re: Successor Operator
North Alger Unit
Agreement No. UT080P49-86U697
AFS No. 83686U697X
Uintah County, Utah

Dear Mr. Connor:

On September 30, 2011, we received an indenture dated September 1, 2011, whereby EOG Resources, Inc. resigned as Unit Operator and Koch Exploration Company, LLC was designated as Successor Unit Operator for the North Alger Unit, Uintah County, Utah. The indenture was executed by both parties and the signatory parties (working interest owners) have complied with Sections 5 and 6 of the unit agreement.

The instrument is hereby approved effective October 24, 2011. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the North Alger Unit Agreement.

Your nationwide oil and gas bond, No. 82203357 (BLM Bond No. COB000296) will be used to cover unit operations.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate Federal offices, with one copy returned herewith.

Sincerely,

Roger L. Bankert
Chief, Branch of Minerals

Enclosure

cc: UDOGM
SITLA
ONRR - Leona Reilly
BLM FOM - Vernal

RECEIVED

NOV 07 2011

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
Multiple Leases

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
EOG Resources, Inc

3a. Address
1060 EAST HIGHWAY 40, VERNAL, UT 84078

3b. Phone No. (include area code)
435-781-9145

7. If Unit of CA/Agreement, Name and/or No.
Natural Buttes

8. Well Name and No.
Multiple Wells

9. API Well No.
See Attached

10. Field and Pool or Exploratory Area
Natural Buttes

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
See Attached

11. Country or Parish, State
Uintah, Utah

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Change of Operator</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. has assigned all of its right, title and interest in the wells described in the attached list (the "Subject Wells") to Koch Exploration Company, LLC and will relinquish and transfer operatorship of all of the Subject Wells to Koch Exploration Company, LLC on October 1, 2011.

As of October 1, 2011, Koch Exploration Company, LLC will be considered to be the operator of each of the Subject Wells and will be responsible under the terms and conditions of the applicable lease for the operations conducted upon the leased lands. Bond coverage is provided under Koch Exploration Company, LLC's Nationwide BLM Bond No. COB000296.

KOCH EXPLORATION COMPANY, LLC

By: Brian J. Kissick Date: September 1, 2011
Vice President

Address: 9777 Pyramid Court, Suite 210
Englewood, Colorado 80112

Telephone Number: (303) 325-2561

14. I hereby certify that the foregoing is true and correct.
Name (Printed/Typed)

J. Michael Schween

Title Agent and Attorney-in-Fact

Signature

Date 09/01/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Assistant Field Manager
Lands & Mineral Resources

NOV 02 2011

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Office

VERNAL FIELD OFFICE

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(Instructions on page 2)

UDOGM

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NOV 04 2011

DIV. OF OIL, GAS & MINING



GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 14, 2012

Koch Exploration Company LLC
9777 Pyramid Court, Suite 210
Englewood, CO 80112

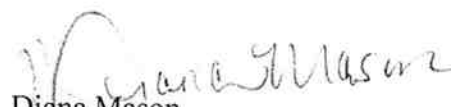
Re: APD Rescinded – OSCU II 128-27, Sec. 27, T.10S, R. 19E
Uintah County, Utah API No. 43-047-50196

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on February 10, 2009. On February 16, 2010 and January 25, 2011 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective June 14, 2012.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal

